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Tuesday, 26 January 2010, 13:40
C O N F I D E N T I A L SECTION 01 OF 02 ZAGREB 000053
SIPDIS
STATE FOR EUR/SCE, EUR/ACE, AND INL/AEE
EO 12958 DECL: 01/01/2020
TAGS PGOV, PREL, KCOR, HR
SUBJECT: CROATIAN PROSECUTORS INVESTIGATING FORMER PM AND
OTHER "UNTOUCHABLES" FOR CORRUPTION
REF: 09 ZAGREB 644
Classified By: Political Officer Chris Zimmer for reasons 1.4 (b) and (d).

1. (C) SUMMARY: Chief State Prosecutor Mladen Bajic has outlined to us several ongoing corruption cases targeting former Prime Minister Ivo Sanader.
2. (C) In a series of meetings in early to mid-January, Croatian Chief State Prosecutor Mladen Bajic described several ongoing corruption probes.
3. (C) Sanader is also implicated in several corruption cases involving the Transportation Ministry. Transport Minister Bozidar Kalmeta has been implicated.
4. (C) Bajic said his office is leading interagency teams established under orders from PM Kosor to deal with five priority cases involving state-owned companies.
5. (C) A sixth company under investigation, Podravka, has 26 percent government ownership, and parliament approves the supervisory board. At 13:40Z ZAGREB 00000053 002 OF 002 report on XXXXXXXXXXXX's dealings with Podravka on January 22.
6. (U) Minister of Interior Tomislav Karamarko and Minister of Justice Ivan Simonovic have also been spearheading a public relations campaign.
7. (C) COMMENT: An important test of Croatia's anti-corruption efforts will be the ability to go after the biggest fish. For several years, Bosnian Serb leader Radovan Karadzic has been a target of such efforts.